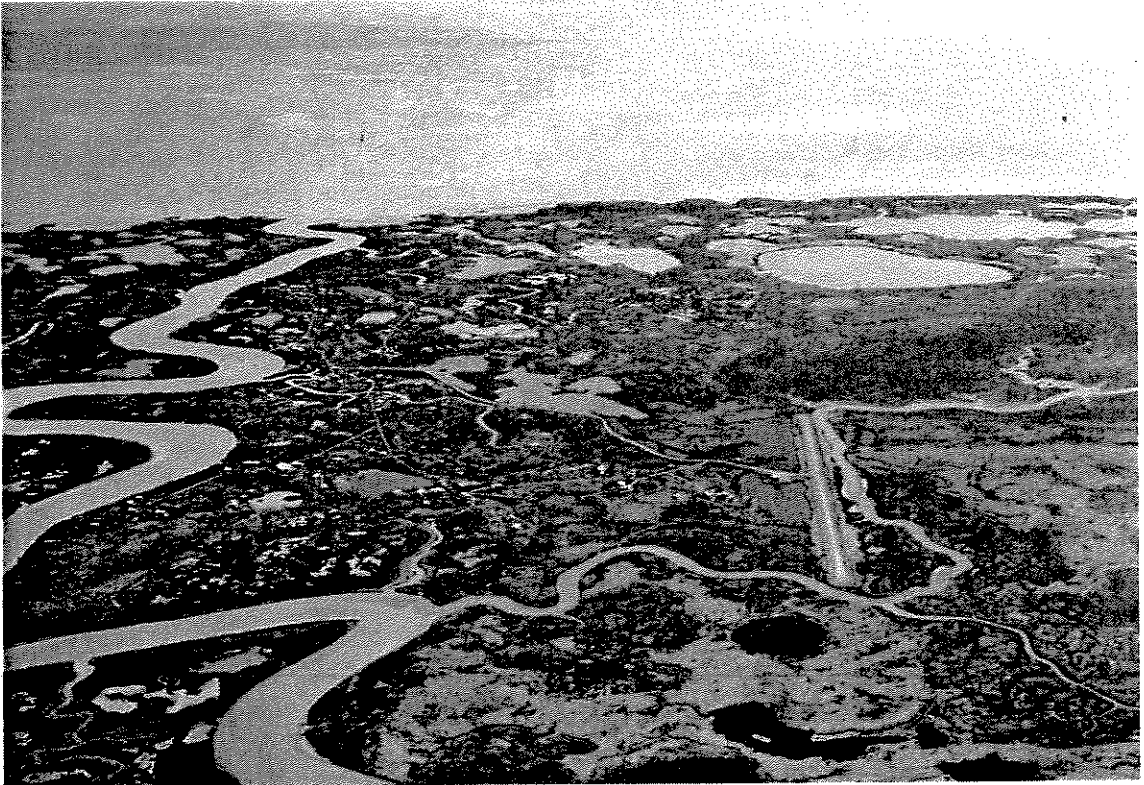


A New Kwigillingok Airport

Moving Safely Into The Future



Phase 1 Report

Airport Sponsorship Evaluation

September 2001

DNA Project No. 3573

Prepared by:

DNA

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EXECUTIVE SUMMARY

The Native Village of Kwigillingok has a long standing goal to plan, design, and construct a safe new airport to meet the needs of their growing community. The existing airport, which is the main lifeline into the community from outside, is unlighted, short, narrow and subject to erosion on two sides.

In the Fall of 2000, the Native Village of Kwigillingok hired David Nairne & Associates Ltd. (DNA) to assist them in the planning, design and construction of their new airport. DNA further retained HDR Alaska to provide their technical airport planning and design expertise.

The Native Village of Kwigillingok wants to become a full airport sponsor, not only taking control of the planning, design and construction of the new airport but also assuming responsibility over the operation and maintenance of their new airport.

This Phase 1 Report presents the findings and recommendations arising from the Airport Sponsorship Evaluation completed with the Native Village of Kwigillingok.

REPORT FINDINGS

Based upon this assessment and evaluation, the Native Village of Kwigillingok is committed to Sponsoring the new airport.

- The Tribe, through four community meetings, has clearly and strongly demonstrated that Sponsorship of their upgraded airport supports the Tribe's overall community development and sovereignty objectives;
- Through a comprehensive Community Survey, Kwigillingok residents are in full support of the upgrading strategy for the airport including its location and proposed modifications. The Survey results also indicate strong interest by the residents in participating in all aspects of the airport upgrading project including construction, operations and maintenance;
- Through the Airport Landing Fee Survey, the community has provided a clear demonstration of support (69% in favor) for the imposition of a landing fee to contribute towards funding operations and maintenance costs;
- The Tribe's Administration has the demonstrated skills, capacity and track-record to take on the sponsorship of the airport upgrading project.

REPORT RECOMMENDATIONS

The Tribe has the capacity to provide sponsorship for the airport by implementing the following proposed recommendations. The timeframe required to implement the recommendations should give the Tribe sufficient time to develop a financial strategy to address the cash-match requirements and to generate on-going operation and maintenance funds for the airport.

Airport Lands

- The Tribe must complete the transfer of ownership of the Native Allotments impacted by the land area requirements associated with the upgrading of the airport.

Construction Cash-Match

- Clarification from the State of Alaska regarding their potential provision of a construction cash-match.
- In conjunction with, or in lieu of the potential provision of a State construction cash-match, negotiate with Denali Commission to seek funding of the match (for example, this has been done in other villages).

Operations & Maintenance Costs

- Explore in more detail potential strategies for financing costs including:
 - Landing fees
 - Reallocation of the Tribe's existing resources
 - Dedication of Sales Tax revenue to airport and/or increase sales tax
 - Negotiate a self-governance compact with the B.I.A.
 - Consider a regional Tribal Airport Authority

Tribal Administration & Accounting

- Ensure that up-to-date audits are completed.
- Implement the following accounting recommendations:
 - Develop and adopt a policies and procedures manual
 - Strengthen the Tribe's cash receipts procedures
 - Further develop the Tribe's accounting procedures to track budgets and the financial status of Tribal projects
 - If possible, provide additional space for the accounting department, especially if additional resources are retained for the airport upgrading project
- Consider retaining additional accounting support dedicated to the airport upgrading project.

Airport Construction

- Develop and implement a training and skills development strategy to prepare a local workforce to participate in all aspects of the airport upgrading project.
- Continue to gain valuable earthworks construction experience through the ongoing roads, lagoon, reservoir and landfill projects.
- The Tribe must complete a Force Account justification so that it can take the lead in construction of the airport improvements.

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